G.R.S. IX—5]

Previous references. 1922. File No. G.F.192-22

(G7) Serial Nos. 1 & 2

Later references.

Reserve
3.11.63

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. Nil

Part B for April 23.

SUBJECT

Surplus Revenues of the Civil & Military Station

1922-1923

Pm 19-E

Printed on the Multigraph.

G. R. S. 11] 191

GENERAL AND REVENUE SECRETARIAT.

NOTES.

G.F. File No. 192-22

FILE HEADING.

Exhibition of Surplus Revenues of the C.& M. Station in the Accounts for 1922 23

From

No.	Dated	Received
Diary No.	Enclos. , Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

NOTES—First Sheet.

Serial No.

In my note dated the 16th March 1923 I stated that I would, on actual realisation of surplus revenue of the Civil and Military Station for 1921-22, put up proposals regarding the exhibition of the amount in the accounts of the current year and the disposal of the amount. Orders of the Government of India have now been received authorising the Accountant-General, Madras, to pay us before the end of this month -- Rs.10,47,718-3-2 which is stated to be the surplus of the pro forma account of the Station for last year.

The Comptroller has been asked to place himself in communication with the Accountant General, Madras and the payment may be expected to be received in two or three days.

In the Budget estimates of the current year, a revenue of Rs.16½ lakhs was counted upon from this source and the bulk of it was taken to be the arrears due for the previous three years commencing from 1918-19. As the item represented a non-repeating receipt, it was considered that the inclusion of this amount in the ordinary revenue account would reduce the deficit and make the position look better than it really was. In view of this consideration, it was decided to exhibit the whole of this item as an extraordinary revenue outside the ordinary revenue account.

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat. | File No. of 19 .

Serial No.

We have received this year a sum of Rs.13,27,160-?-? towards the arrears of the three years ending with 1920-21 and a sum of Rs.10,47,718-3-2 being the surplus payable for 1921-22. I take it that the latter payment shows that the decision to hand over to us the annual surpluses as they accrue will be given effect to without objection from 1921-22. In this view, the surplus ~~reserve~~ of the Civil & Military Station should be regarded as an annual item of revenue, though the uncertainty in respect of the amount to be received annually will continue. In view of its uncertain character, it has to be kept aside and utilized as stated in the Dewan's last Budget address to the Representative Assembly " as a special reserve for capital expenditure". In the new classification of our revenue transactions this item has accordingly been brought under part II.

As the accounts of parts I and III continue to b in a condition of deficit, it is not possible to spare the surplus of part II which includes the revenues from the Assigned Tract for Capital Purposes. However this item may be shown in the new presentation of our revenue finances, its place in the general statement of estimates and accounts should be under the revenue major head VII to the extent the item represents annual revenue. According to this

NOTE—Contn. sheet.

Serial No.

this view, the sum of Rs.10,47,718-3-2 which is the surplus for 1921-22 has to be shown under the revenue head VII. The other item of Rs.13,27,160-0-2, which was also received this year and which represents the arrears, may be shown, as decided at the Budget time, as Extraordinary Revenue.

The inclusion of the sum of Rs.10,47,718-3-2 in the normal revenue account reduces the deficit correspondingly and improves the position of this account.

The next question to be considered is the disposal of the excess amount of Rs.23,74,878-11-4 - Rs.16,50,000-0-0 = Rs.7,24,878-11-4 which we have received over the Budget anticipation. The extraordinary revenue of Rs.16,50,000 included in the Budget was specifically ear-marked for meeting the Sinking Fund contribution of the current year. For want of means, we could not pay in 1921-22 the total contribution due to the Sinking Funds for that year. Against a demand of Rs.18,78,000, we could only pay Rs.10,20,000 and there is thus an arrear liability of Rs.8,58,000 to be discharged. The excess of --- Rs.7,24,878-11-4 now received ought properly to be devoted to the discharge of this liability.

The study of our capital finances position several times during the past two or three months has con-

vinced

Serial No.

convinced me that it is impossible to spare this excess amount for the Sinking Funds. I am, therefore, compelled, with the greatest unwillingness, to propose that the improvement of Rs.7,24,878-11-4 in the cash position due to the excess revenue received from the Assigned Tract be devoted to meet capital demands. The position is this:- We have a surplus cash of Rs.7,24,878-11-4 and the question is whether we can afford to invest it in securities on behalf of the Sinking Funds or, leave it in the treasury for cash outlay on capital works. If we adopt the former alternative, it reduces our capital resources ~~and~~ but including even this item, I find that the maximum amount than can be spared for capital works is about Rs.19,00,000 on the assumption that the next year's revenue budget is left with an uncovered deficit of about Rs.10,00,000. I have explained this point at length in the Financial Review for the half-year ending December 1922. In the circumstances to which we are driven, I see no alternative but, to allow this improvement in the cash position to be diverted for capital purposes.

The arrangement of giving priority to capital demands over the requirement of Loan Sinking Funds is extraordinary and is therefore of sufficient importance for report to His Highness.

DEWAN'S OFFICE.
Recd. on MAR 27 1923
Reg. No. S 7601

NOTE—Contn. sheet.

Dewan.

25/3/23

Serial No.

560

The express discussion . Hence
being . 4
4/4 .

the representation having been
the amount is little than will be
viewed maybe perhaps . —
The executive concerned
and ministerial
the arrears therefore
as in the budget
4
4.4
Please put up DSN
Mehr 4/4/23

D.S. it for orders.
Babu
Mehr 5-4/23
Le Sage
Deviah
Mehr 7-4-23
Mehr 8/4
Hon

DEVIAN'S OFFICE.
Recd. on APR 9 1928
Reg. No. 5894

NOTE—Contn. sheet.

Submitted to His Highness.

These papers relate to the disposal, and exhibition in accounts, of the surplus revenues of the Civil & Military Station, Bangalore, received during the current official year.

2. In the current year's budget a sum of Rs.16,50,000 which was counted upon as realisable during the year on account of arrears of this revenue due for the three years commencing from 1918-19, was included in the Budget Estimate as an item of extraordinary revenue. The reason for this arrangement was that the inclusion of the non-repeating arrears in the ordinary revenue account of the year would reduce the deficit and make the position better than what it really was.

3. As has already been reported to His Highness, we have received this year a sum of Rs.13,27,160-8-2 towards the arrears of the three years ending 1920-21 and another sum of ~~Rsx10477718x3~~ Rs.10,47,718-3-2 recently on account of the surplus for 1921-22. As the latter amount represents annual revenue, it has to be included in the ordinary account and will therefore be exhibited in the accounts of this year as an ordinary item of revenue under the head VII - Surplus Revenue of the Assigned Tract. The inclusion of this sum of Rs.10,47,718-3-2 in the normal revenue account correspondingly reduces the deficit of the year and improves the position of this account.

4. The sum of Rs.13,27,160-8-2 representing the arrears of previous years, will be shown as extraordinary revenue in accordance with the arrangement adopted in the Budget.

5. The amount of Rs.7,24,878-11-4 actually received during the current year in excess of the Budget estimate of 16½ lakhs should be properly devoted to the discharge of the Loan Sinking Fund liability which is somewhat in arrears, as explained in the Financial Secretary's Note dated 25th March 1923. As the resources available for capital expenditure are not sufficient to meet all the urgent demands on that account, the excess revenue received from the Assigned Tract cannot be invested in the purchase

purchase of securities for the Loan Sinking Fund but has to be kept in cash and used for outlay on capital works.

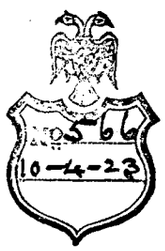
5. I report the above facts for the gracious information of His Highness.

Bangalore,)
)
10th April 1923.)

10 APR 1923

Record of Cases submitted for the Orders of His Highness the Maharaja

Subject.



Papers relating to the disposal, and exhibition in accounts, of the surplus revenues of the Civil & Military Station, Bangalore, received during the current official year.

804

Order.

~~KRW~~

12/4/23

Financial Secy

14 APR 1923

16.4.23

G. R. S. III-2]

General and Revenue Secretariat. | File No. of 19 .

Serial No.

VII ASSIGNED TRACT REVENUE.

It is necessary to decide what estimate, if any, should be entered under the above head in the Budget for 1923-24. We have received the surplus due for the year 1921-22 and I think this payment means that the existing settlement in regard to the transfer to us of the annual surpluses of the Station is brought into force again, commencing from that year. We are, therefore, justified in expecting that the surplus for the year 1922-23 of the Station will be paid to us in our financial year 1923-24.

The next point to be considered is, what amount we may reasonably expect in the next year. The surpluses of the pro forma account in the last four years have been as under:-

1918-19	9,83,202
1919-20	9,56,676
1920-21	9,54,483
1921-22	10,47,718

The above figures would justify our assuming a revenue of Rs.9½ lakhs in the next year. The position disclosed by the Budget estimates of the Station for 1922-23 is, however, quite different. For reference, I recently obtained a copy of this Budget and the surplus according to the Budget estimate is under Rs.6 lakhs as calculated below:-

NOTE—Contn. sheet.

Serial No.

below:-

Revenue and Receipts ..	9,65,000
Add.- amount shown as surplus payable to us under the head XXV Miscellaneous ..	12,00,000
Gross Revenue and Receipts ..	21,65,000
Expenditure:-	
Direct	14,30,000
Adjustable in pro forma account.	1,55,000 *
Total	15,85,000
* Contribution on account of pension	51,000
One-third of the Residency charges	82,000
Cost of reserve of officers; cost of audit etc.	22,000
Total	1,55,000
Net Surplus	5,80,000

* based on the scale for 1921-22.

In the circumstances stated above, we cannot place the estimate at higher than Rs.6 lakhs. If approved, this figure will be communicated to the Comptroller for insertion in the Budget estimates of next year.

I should like to invite attention to the large enhanced scale of charges for which provision is made in the Budget of the Station for the year 1922-23. In particular, reference is invited to the grant under 41 Civil Works. As much as Rs.3½ lakhs are entered under this head but, no details are furnished as to the objects on which the money is proposed to be spent. The only information given on page 67 is that the

NOTE—Contn. sheet.

G. R. S. III-21

General and Revenue Secretariat. | File No. of 19

Serial No.

Communications.

the entire amount is required for original works. Out of the arrears due for the three years ending with 1920-21, the Government of India have reserved as much as R.21 lakhs for works stated to be requir for the improvement of the Station and it is far from clear why in addition to this large amount, as much as R.3½ lakhs, should be provided out of the revenues for 1922-23 for Original Works. The general level of charges under other heads is also on the rise. It is desirable to take up this matter with the Resident to prevent optional items of expenditure or, items of expenditure not legitimately chargeable to the revenues of the Station.

If it is possible to pursuade the Resident to reduce or remove optional items included in the Budget, the surplus payable to us would be correspondingly increased and we can then place the estimate of revenue from this source, to be realised by us in the next year, at a higher level than R.6 lakhs.

27-9-23

DEVANCE OFFICE.
Recd. on ...R27 1923
Reg. No. 5619

Dewan

Mr. Hotchkiss will
immediately - after details of
Remunerative are to hand
& the members we may
ask a Sum of 7 lacs.

Consult me. 4
2/4

NOTE—Contn. sheet.

Please inform Comptr
and return file
Dewan
2/4/23

Comptr informed 3/4

3784
4356

G. R. S. III-2.

General and Revenue Secretariat. | File No. | of 19

Serial No.

Resubmitted as desired
16/4/23

Please put up with Budget for 23-24
Called for from the Residency
16.4.23

Submitted with a copy of the Budget estimate of the C&M. Station, Bangalore, for the year 1923-24.
24.4.23

From the Secy to H'ble the Resident
No. 3320 Dated 28.3.23 April 1923.
Forwards copy of the B.E. of the C&M Station Bangalore.

A draft calling for details for receipt Estimates is put up as ordered on the P.U.
28/4/23
29/4/23

To the Secy to H'ble the Resident.
No PDR: 996 d 30.4.23.

Calls for detailed estimate for the Reception estimates —

Since no reply has been received. If approved a reminder may be issued
1/5
May reminder be deferred for some time longer? Yes
1/5

Note—Contn. sheet.

on 10.4.23. Vide linked file

Subd
17.4.

Immediate

G. R. S. III-2]

General and Revenue Secretariat. | File No. of 19

Serial No.

In continuation of my note dated 16th March 1923, I enclose copy of Residency letter just received today intimating that the surplus payable for the year 1921-22 is Rs.10,47,718-3-2 and that the Accountant General, Madras, has been authorised to pay it to before the end of this month. The Comptroller has been asked to arrange for obtaining payment immediately. The surplus according to the pro forma account given in the Administration Report of the Station is only Rs.9,56,295. It is not clear how a larger amount has been arrived at. The excess is however welcome and the circumstances in which the figure according to the Administration Report differs from what is now reported may be enquired into later on. In view of the importance of the matter, the Residency communication has been submitted for the information of His Highness.

DEWAN'S OFFICE.
Recd. on MAR 22 1923
Reg. No. 5523

D E W A N.)

22/3/23

Seen. The
We have all in the
enclosed are a record
statement of 29 lacs
Please let me know
thanks

I noticed the reference to this point in the newspapers reports & could not understand it. Must we get the detailed estimates of the Rs 7 lacs in which

30/3

NOTE—Contn. sheet.

3733
[illegible]

The Estimates will be included we shall not be in a position to know how the figures will come up for discussion. If we can get a copy of the Budget Estimates for 23-24 of the Estates from the Residency we can see whether the newspaper reports are correct and what the entry in the Estimate is. Also: Upon what basis has the Nawab fixed the next year's C I has been passed we may ask the Resy to give us a copy. If this is agreed the Resy will be addressed

[illegible]
31.3.23

Secretary for. The
suggested date
[illegible]
Please fix up Resy's
[illegible]
3-4-23

[illegible] 6/4/23

[illegible] Draft sent.
[illegible]
3/4/23

G. R. S. III-2

General and Revenue Secretariat.

File No. of 19

Serial No.

Issue.

Caseworker should be directed to note the correct address to avoid similar mistakes in future.

mab
6/4/23

NOTE—Contn. sheet.

G. R. S. G/33]

GENERAL AND REVENUE SECRETARIAT.

(Continuation sheet draft form.)

G.F. 192-22-1

To

The Secretary to the Hon'ble The Resident

First Assistant Resident

Sir,

I am directed to request that

~~you to be so good as to forward for reference~~

a copy of the Budget Estimates of the C.T.M. Stations for 1922-23 may be kindly supplied to the Mysore Court

I have the

Chief 6/4/22

Accts 31/3/22 Budget Secy

Ref. 919

10th April 1923

WD 2230—GPB—1,00,000—23-7-20

Copy of letter No. 2498/116-1922 dated 22nd March 1923 from the Secretary to the Resident in Mysore, Bangalore, to the Financial Secretary to the Govt. of H.H. the Maharaja of Mysore, Bangalore.

Subject.- Surplus revenues of the Mysore Assigned Tract for the year 1921-22.

In continuation of my letter No.1988 dated the 5th March 1923, I am directed to state that the Accountant-General, Madras, has been asked by the Government of India to credit the Government of His Highness the Maharaja of Mysore with Rs.10,47,718-3-2 during the current financial year being the surplus which accrued in the pro forma account of the Mysore Assigned Tract for the year 1921-22. The amount will be adjusted by the Accountant-General, Madras, shortly.

2. I am to request that you will be so good as to arrange adjustment of the credit before the 31st March 1923. Otherwise the provision now made in the current year's budget will lapse.

B. Narasimhaiya

Superintendent, Financial Secretariat.

Copy of letter No. FC.4434 dated 22nd March 1923 from the Financial Secretary to the Government of Mysore to the Comptroller to the Mysore Government, Bangalore.

I am directed to enclose copy of a letter from the Secretary to the Resident in Mysore communicating the orders of the Government of India that the Accountant-General, Madras, has been authorised to pay us Rs.10,47,718-3-2 being the surplus revenues of the Civil & Military Station for the year 1921-22. It will be seen from para 2 of the said communication that we are asked to arrange for taking payment before the end of the current month. I am accordingly to request you to place yourself in immediate communication with t h e Accountant-General, Madras, and arrange for realising the amount with the least possible delay.

BHC
22/3

Pol 1379

C. O. 2.—R. P. B.—12-1922.—2,000.

No. 3324 Enclos. 1 Dated Bangalore, 23rd April 1923.

DIARY No. 4256

FROM

A. N. L. Cater, Esq., I.C.S.,

SECRETARY TO THE CHIEF COMMISSIONER OF COORG.

1922-23
Section G.F.
File No. 192.22
Serial No. 2

To

The Financial Secretary to the Government of
His Highness the Maharaja of Mysore.

SIR,

Subject. Budget Estimates for 1923-24.

Sir,

With reference to your letter No. 919 Pol., dated the 10th April 1923, I am directed to forward a copy of the Budget Estimates of the Civil and Military Station, Bangalore for the year 1923-24.

X. B.E. for 23-24 put up with D No 3560/22

I have the honour to be,
Sir,
Your most obedient servant,

Secretary to the Resident.

Please ask for details for the receipt estimates. Should bring details for only One expenditure have not been sent

27.4.23

G. R. S. VI—G/32]

SUBJECT..... G.10

.....

.....

Diary No. of letter replied to——————

General and Revenue Secretariat

( )

, the *191* .

Date of issue 30th April 1923

Signed by M. N. R. Krishna Rao

Section

File No.

Serial No

No. Pol 496

To

The Secretary to the Hon'ble the

Revenue

Sir

In acknowledging with thanks the receipt of the copy of the Budget Estimates of the e t m Stations for 1923-24 forwarded with your letter no 3320 dated 23rd April 1923, I am directed to state that from the copy received only the details for expenditure heads have been given, & to request that proposals

over.

Central Stores for receipt Estimates may also be kindly supplied to the Mysore Stores.

Thanks

29/5/23

Asst Secy